Union Calendar No. 8

81st CONGRESS 1st Session

H. R. 1661

[Report No. 18]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 1949

Mr. Spence introduced the following bill; which was referred to the Committee on Banking and Currency

FEBRUARY 4, 1949

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To provide for continuation of authority for the regulation of exports, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That this Act may be cited as the "Export Control Act of
- 4 1949".
- 5 FINDINGS
- 6 (a) Certain materials continue in short supply at home
- 7 and abroad so that the quantity of United States exports and
- 8 their distribution among importing countries affect the wel-
- 9 fare of the domestic economy and have an important bearing
- 10 upon the fulfillment of the foreign policy of the United States.
- (b) The unrestricted export of materials without regard

1 to their potential military significance may affect the national

2 security.

3 DECLARATION OF POLICY

4 SEC. 2. The Congress hereby declares that it is the

5 policy of the United States to use export controls to the

6 extent necessary (a) to protect the domestic economy from

7 the excessive drain of scarce materials and to reduce the

8 inflationary impact of abnormal foreign demand; (b) to

9 further the foreign policy of the United States and fulfill to

10 aid in fulfilling its international responsibilities; and (c) to

11 exercise the necessary vigilance over exports from the stand-

12 point of their significance to the national security.

13 AUTHORITY

14 Sec. 3. (a) To effectuate the policies set forth in sec-

15 tion 2 hereof, the President may prohibit or curtail the

16 exportation from the United States, its Territories, and pos-

17 sessions, of any articles, materials, or supplies, including

18 technical data, except under such rules and regulations as

19 he shall precribe. To the extent necessary to achieve effec-

20 tive enforcement of this Act, such rules and regulations

21 may apply to the financing, earriage transporting, and other

servicing of exports and the participation therein by any

person.

22

24 (b) The President may delegate the power, authority,

25 and discretion conferred upon him by this Act to such de-

- 1 'partments, agencies, or officials of the Government as he
- 2 may deem appropriate.
- 3 CONSULTATION AND STANDARDS
- 4 SEC. 4. (a) In determining which articles, materials,
- 5 or supplies shall be controlled hereunder, and in determining
- 6 the extent to which exports thereof shall be limited, any
- 7 department, or agency, or official making these determina-
- 8 tions shall seek information and advice from the several
- 9 executive departments and independent agencies concerned
- 10 with aspects of our domestic and foreign policies and opera-
- 11 tions having an important bearing on exports.
- 12 (b) In authorizing exports, full utilization of private
- 13 competitive trade channels shall be encouraged insofar as
- 14 practicable, giving consideration to the interests of small
- 15 business, merchant exporters as well as producers, and estab-
- 16 lished and new exporters, and provision shall be made for
- 17 representative trade consultation to that end. In addition,
- 18 there may be applied such other standards or criteria as may
- 19 be deemed necessary by the head of such department or
- 20 agency, or official to carry out the policies of this Act.
- 21 VIOLATIONS
- SEC. 5. In case of the violation of any provision of this
- 23 Act or any regulation, order, or license issued hereunder,
- 24 such violator or violators, upon conviction, shall be punished

- 1 by a fine of not more than \$10,000 or by imprisonment for
- 2 not more than one year, or by both such fine and imprison-
- 3 ment.

4 ENFORCEMENT

SEC. 6. (a) To the extent necessary or appropriate to 5 6 the enforcement of this Act, the head of any department or 7 agency exercising any functions hereunder (and officers or employees of such department or agency specifically desig-8 nated by the head thereof) may make such investigations 9 10 and obtain such information from, require such reports or 11 the keeping of such records by, make such inspection of the 12 books, records, and other writings, premises, or property of, 13 and take the sworn testimony of, any person. In addition, 14 such officers or employees may administer oaths or affirma-15 tions, and may by subpena require any person to appear and 16 testify or to appear and produce books, records, and other 17 writings, or both, and in case of contumacy by, or refusal 18 to obey a subpena issued to, any such person, the district 19 court of the United States for any district in which such 20 person is found or resides or transacts business, upon appli-21cation, shall have jurisdiction to issue an order requiring 22such person to appear and give testimony or to appear and 23produce books, records, and other writings, or both, and any 24failure to obey such order of the court may be punished by 25such court as a contempt thereof.

- 1 (b) No person shall be excused from complying with
- 2 any requirements under this section because of his privilege
- 3 against self-incrimination, but the immunity provisions of
- 4 the Compulsory Testimony Act of February 11, 1893
- 5 (27 Stat. 443), shall apply with respect to any individual
- 6 who specifically claims such privilege.
- 7 (c) No department, or agency, or official exercising
- 8 any functions under this Act shall publish or disclose in-
- 9 formation obtained hereunder which is deemed confidential
- 10 or with reference to which a request for confidential treat-
- 11 ment is made by the person furnishing such information
- 12 unless the head of such department or agency determines
- 13 that the withholding thereof is contrary to the national
- 14 interest.
- 15 EXEMPTION FROM ADMINISTRATIVE PROCEDURE ACT
- SEC. 7. The functions exercised under this Act shall be
- 17 excluded from the operation of the Administrative Procedure
- 18 Act (60 Stat. 237), except as to the requirements of sec-
- 19 tion 3 thereof.

20 QUARTERLY REPORT

- SEC. 8. The head of any department or agency, or
- 22 official exercising any functions under this Act shall make
- 23 a quarterly report, within forty-five days after each quarter,
- 24 to the President and to the Congress of his operations
- 25 hereunder.

DEFINITION
Sec. 9. The term "person" as used herein shall include
the singular and the plural and any individual, partnership,
corporation, or other form of association, including any
government or agency thereof.
EFFECT ON OTHER ACTS
SEC. 10. The Act of February 15, 1936 (49 Stat.
1140), relating to the licensing of exports of tin-plate scrap,
is hereby superseded; but nothing contained in this Act shall
be construed to modify, repeal, supersede, or otherwise
affect the provisions of any other laws authorizing control
over exports of any commodity.
EFFECTIVE DATE
SEC. 11. This Act shall take effect February 28, 1949,
upon the expiration of section 6 of the Act of July 2, 1940
(54 Stat. 714), as amended. All outstanding delegations,
rules, regulations, orders, licenses, or other forms of admin-
istrative action under said section 6 of the Act of July 2,
1940, shall, until amended or revoked, remain in full force
and effect, the same as if promulgated under this Act.
TERMINATION DATE
SEC. 12. The authority granted herein shall terminate
on June 30, 1951, or upon any prior date which the Con-
gress by concurrent resolution or the President may
designate.

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